

Application No.: 09/896,831

11

Docket No.: 476172000100

REMARKS

Claims 1-27 stand rejected in the present Office Action. In this response, claims 20-22 and 32-33 are canceled without prejudice and claims 1, 2, 4, 16, 17, 26, and 27 are amended. Accordingly, claims 1-19, 23-31, and 34-37 are pending in the present application. Applicant respectfully requests reconsideration of the present application in view of the foregoing amendments and reasons.

35 U.S.C. § 102 rejection

In Sections 1-2 of the Office Action, claims 1-37 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 5,875,437 (Atkins). In particular, the Examiner points to Atkins' column 7 lines 19-67, columns 8-11 lines 1-65, columns 27-34 lines 1-65, column 66 lines 1-42, and the abstract as disclosing all the elements recited in claims 1-37.

Atkins discloses consolidated handling of an individual's financial information, loans, investments, budgeting, and financial analysis and advice needs. To the extent that Atkins discloses transactions involving securities or debt instruments, these transactions are of buying, selling, or movement between accounts. Atkins discloses in particular that:

The digital system of the present invention can receive financial data, consolidate the financial information, analyze the information, recommend specific actions or transactions which optimize an *individual's* asset/liability allocation, capital budgeting, or portfolio selection, and negotiate with other parties (or other parties' personal digital assistants) to effect a transaction or series of transactions, and report the results to the individual. (emphasis added) Col. 9, lines 32-39.

Through the system of the invention, goods and services may be exchanged, and financial services and products can be automatically received and dispensed with. For example, withdrawals, deposits and transfers may be made; *securities, commodities and debt instruments may be purchased, sold and transferred in and out of the account*; a wide variety of different types of credit facilities and loans may be advanced to *individuals* using the HOME Account™ system; financial agreements such as insurance and annuity contracts and policies may be purchased or sold within the framework of the HOME Account™ system . . . (emphasis added) Col. 27, lines 36-47.

sf-2013643

Application No.: 09/896,831

12

Docket No.: 476172000100

Each of independent claims 1, 26, and 27 recites, among other things, that an application for money is received, the application for money being associated with initiation of a securities issuance. Each of independent claims 12, 16, and 28-31 recites, among other things, that an application to issue for sale a set of one or more bonds is received and the set of bonds is issued for sale.

In contrast, in Atkins' system, the securities that can be bought or sold are securities that have already issued. This would be similar to securities transactions that can occur with a brokerage. Moreover, even assuming that Atkins discloses applying for loans, such applications are not related to issuance of securities. Rather, the applications are for loans such as mortgages. See col. 21, line 1- col. 27; line 33. Atkins does not disclose applications for money associated with initiation of a securities issuance or applications to issue for sale a set of one or more bonds, because an individual would have no need to issue securities. The individual would only want to buy or sell securities after they have issued and have been priced.

Applicant's independent claims 1, 12, 16, and 26-31 are directed to apparatus and processes for receiving applications involved in issuance of the securities itself. Accordingly, it is respectfully submitted that each of independent claims 1, 12, 16, and 26-31 is allowable over Atkins and the rejection has been overcome. It is also respectfully submitted that claims 2-11, 13-15, and 36, which depend from one of claims 1, 12, 16, and 26-31, are also allowable over Atkins for at least the same reasons as for claims 1, 12, 16, and 26-31.

Each of independent claims 23, 34, and 35 recites, among other things, that one or more orders for one or more of the securities from one or more individual investors are accepted before accepting one or more orders for one or more of the securities from one or more institutional investors.

Atkins fails to disclose prioritizing acceptance of security orders among different groups of persons/entities. Accordingly, it is respectfully submitted that each of independent claims 23, 24,

sf-2013643

Application No.: 09/896,831

13

Docket No.: 476172000100

and 35 is allowable over Atkins and the rejection has been overcome. Claims 24-25 and 37, which depend from claim 23, are also allowable for at least the same reasons as for claim 23.

Independent claim 17 recites, among other things, that a price for a bond is determined by a pricing engine, the pricing engine determining the price based on at least one member selected from the group consisting of a bond volume factor, an income tax factor, a relationship factor, a perception of value factor, and a stock market factor.

In contrast, Atkins fails to disclose how bond prices are determined as recited in Applicant's claim 17. Atkins' system would have no need to directly price bonds since the bond prices are already set by the market (or issuer).

Thus, independent claim 17 and its dependent claims 18-19 are allowable over Atkins.

Claim 2 is amended to correct a grammatical error. Claim 4 is amended for consistency with amended independent claim 1.

Claims 20-22 and 32-33 are canceled without prejudice.

sf-2013643

Application No.: 09/896,831

14

Docket No.: 476172000100

CONCLUSION

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, the Examiner is respectfully requested to withdraw the outstanding rejection of the claims and to pass this application to issue. If it is determined that a telephone conference would expedite the prosecution of this application, the Examiner is invited to telephone the undersigned at the number given below.

In the event the U.S. Patent and Trademark office determines that an extension and/or other relief is required, applicant petitions for any required relief including extensions of time and authorizes the Commissioner to charge the cost of such petitions and/or other fees due in connection with the filing of this document to Deposit Account No. 03-1952 referencing docket no. 476172000100. However, the Commissioner is not authorized to charge the cost of the issue fee to the Deposit Account.

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Respectfully submitted,

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sf-2013643